



## Department of Environmental Protection

Western Regional Office • 436 Dwight Street, Springfield MA 01103 • 413-784-1100

Charles D. Baker  
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April 10, 2015

Ms. Heidi Whidden  
Pioneer Valley Energy Center, LLC  
500 Delaware Avenue  
Suite 600  
Wilmington, DE 19801

Re: PSD Permit and Conditional Approval to Construct - Extension Request dated 3/27/15

Dear Ms. Whidden,

The Massachusetts Department of Environmental Protection (MassDEP) acknowledges the receipt on March 27, 2015 of a request from Pioneer Valley Energy Center, LLC (PVEC) for an extension to the deadline for commencing construction of the PVEC facility. In accordance with 40 CFR 52.21(r) and 310 CMR 7.00 Appendix A, the PVEC facility was required to commence construction within 18 months after issuance of the permits. MassDEP previously, upon review of information submitted by PVEC, extended the Prevention of Significant Deterioration (PSD) permit and Conditional Approval to Construct until April 12, 2015. Your letter requests a second extension for the facility's PSD permit in accordance with 40 CFR 52.21 and Conditional Approval to Construct in accordance with 310 CMR 7.00 Appendix A.

According to your letter, this extension is being requested because "Given the earlier expiration dates associated with the PSD Permit and Conditional Approval to Construct compared to the balance of the Project's approvals currently in existence, we are requesting an 18 month extension of those two permits. This will allow an orderly continuation of Project development efforts, which have been taking place for the past several years, and create

the opportunity for PVEC to bid into the 10<sup>th</sup> Forward Capacity Auction to be held by ISO New England in February 2016.”

US EPA’s January 31, 2014 Memo titled “Guidance on Extension of Prevention of Significant Deterioration (PSD) Permits under 40 CFR 52.21(r)(2)” from Stephen D. Page states “the EPA believes that it is more likely that technology and air quality considerations will become outdated when construction does not begin until 36 months or longer after the EPA has taken final action to issue a PSD permit. Therefore, when a second extension of the deadline for commencing construction is requested, the EPA will evaluate on a case by-case basis whether a second permit extension is justified.”

Based on the above guidance from the January 31, 2014 EPA memo, MassDEP must evaluate the extension request on a case-by-case basis. In the March 27, 2015 letter, PVEC shows that the existing limits are consistent with those contained in more recent permit approval determinations and that the proposed facility is technologically consistent with recent BACT determinations. Upon review, MassDEP concurs with this conclusion and therefore finds that the technology does not require additional top-down BACT review beyond that in the existing record.

PVEC also shows that the ambient air quality has improved since the original modeling was performed and several nearby sources have either shutdown or significantly reduced their emissions. Based on the improved air quality and the fact that the facility would comply with the emissions limits in the permit, PVEC shows that the original air modeling results still predict that the facility will not cause or contribute to an exceedance of a National Ambient Air Quality Standard (“NAAQS”). Upon review, MassDEP concurs that the existing modeling is adequate to demonstrate compliance with the NAAQS and increment analysis.

Therefore, MassDEP is granting the request for an extension to the deadline for commencing construction because no reanalysis of substantive conditions of the permits needs to be conducted. This extension requires that construction of the PVEC facility commence no later than October 12, 2016.

If you have any further questions please feel free to contact the undersigned or Mr. David Howland of my staff at 413-755-2280.

Sincerely,

This final document copy is being provided to you electronically by the  
Department of Environmental Protection. A signed copy of this document  
is on file at the DEP office listed on the letterhead.

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Michael J. Gorski  
Regional Director, Western Regional Office

cc: Gary Moran, Deputy Commissioner, MassDEP  
Nancy Seidman, Assistant Commissioner, MassDEP  
Ken Moraff, Director – Office of Ecosystem Protection, USEPA Region I